

Message Text

CONFIDENTIAL

PAGE 01 MANILA 14743 230810Z
ACTION EA-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-10
L-03 NSAE-00 NSC-05 PA-01 SP-02 SS-15 ICA-11
AID-05 COME-00 EB-08 FRB-03 TRSE-00 XMB-02
OPIC-03 LAB-04 SIL-01 OMB-01 /093 W
-----082534 231325Z /44

R 230758Z AUG 78
FM AMEMBASSY MANILA
TO SECSTATE WASHDC 0530
INFO AMEMBASSY TOKYO

C O N F I D E N T I A L MANILA 14743

E.O. 11652: GDS
TAGS: ECON, PGOV, PINS, RP
SUBJECT: BENEDICTO AUTHORIZED TO IMPORT TV AND RADIO PARTS
DUTY FREE

1. LETTER OF INSTRUCTIONS NO. 640, ANOTHER PRESIDENTIAL
DIRECTIVE SIGNED JUNE 11, HAS NOW SURFACED CLANDESTINELY
AND AUTHORIZES ROBERTO BENEDICTO, FORMER GOP AMBASSADOR
TO JAPAN, CHIEF GOP SUGAR POLICY MAKER AND A LONG-TIME
MARCOS CRONY, TO IMPORT TELEVISION AND RADIO PARTS DUTY
FREE FOR ASSEMBLY AND SALE TO BARANGAY AUTHORITIES AND/OR
IN DEPRESSED AREAS IN MINDANAO. BENEDICTO HAS ALREADY
SET UP A FACTORY IN BACOLOD EMPLOYING ABOUT 100 WORKERS.
SOME SETS HAVE LEAKED OUT TO UNAUTHORIZED PURCHASERS, AND
A 14-INCH TELEVISION SET CAN BE OBTAINED FOR 800 PESOS
FOB. THIS CONTRASTS WITH THE AVERAGE RETAIL PRICE OF
1,625 PESOS FOR SIMILAR SETS ASSEMBLED WITH DUTIABLE
PARTS AND EXPENSIVE LOCAL COMPONENTS.

2. LOI 640 IS STILL CLASSIFIED CONFIDENTIAL, AND BENEDICTO
HAS REMAINED REMARKABLY SILENT ABOUT HIS LATEST VENTURE
WHICH USES JAPANESE PARTS (PROBABLY SONY). UNDERSTANDABLY
THE CONSUMER ELECTRONIC PRODUCTS MANUFACTURERS, WHICH ARE
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ALL PHILIPPINE COMPANIES EXCEPT FOR PHILIPS, ARE ANGRY
AND UPSET AT THIS PRIVILEGED POSITION GIVEN TO BENEDICTO.
THEY BELIEVE THE MARCOS GRANT WAS PAYMENT FOR A FAVOR FROM
BENEDICTO AND ONLY DIFFER ON SPECULATING ON WHAT THE FAVOR
WAS OR IS OR WILL BE.

3. THESE MANUFACTURERS REALIZE THAT THEY ARE GOING TO

COME UNDER INCREASING MARKET PRESSURES AS LEAKAGES FROM THE BENEDICTO VENTURE FIND THEIR WAY TO CONSUMERS. THEY ARE AFRAID TO TAKE ON BENEDICTO (AND THE PRESIDENT) HEAD ON, BUT HAVE HIT ON AN INGENIOUS FILIPINO SOLUTION. THEY ARE SENDING A PETITION TO THE PRESIDENT, AGREEING WHOLE-HEARTEDLY WITH THE NOBLE OBJECTIVES IN THE LOI BUT ASKING FOR THE SAME PRIVILEGE SINCE THEY COULD DO THE SAME JOB -- BUT SIGNIFICANTLY CHEAPER. MURPHY

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: IMPORTS, CUSTOMS DUTIES
Control Number: n/a
Copy: SINGLE
Draft Date: 23 aug 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Message ID: e5cb305d-c288-dd11-92da-001cc4696bcc
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Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
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Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1649494
Secure: OPEN
Status: NATIVE
Subject: BENEDICTO AUTHORIZED TO IMPORT TV AND RADIO PARTS DUTY FREE
TAGS: ECON, PGOV, PINS, RP, (BENEDICTO, ROBERTO)
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/e5cb305d-c288-dd11-92da-001cc4696bcc
Review Markings:
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